

CARPENTERS PENSION AND ANNUITY FUND OF PHILADELPHIA & VICINITY PROMISSORY NOTE & DISCLOSURE FOR ANNUITY ACCOUNT LOAN

I (we) hereby apply for and promise to repay a loan from the Carpenters Pension and Annuity Fund of Philadelphia & Vicinity ("Pension Plan") in accordance with the following terms:

Annual Interest Rate (cost of your credit at a yearly rate)	Finance Charge (dollar amount the credit will cost you)	Loan Amount (the amount of credit provided to you or on your behalf)	Total of Payments (the amount you will have paid once you have made all <u>60</u> scheduled payments)
<u>9%</u>	<u>5,414.33</u>	<u>22,054.00</u>	<u>27,468.33</u>

The monthly payment amount will be 457.80 and 60 total payments will be made. My first payment is due 7-01, 2001. In applying for this loan, I acknowledge that I have read the provisions of the Summary Plan Description pertaining to loans and have received a copy of the Participant loan program from the Pension Plan Office.

This Loan is made under the rules and regulations of the Carpenters Pension and Annuity Plan of Philadelphia & Vicinity. The loan is subject to interest at a fixed rate for the life of the loan as set forth above. The loan, and any interest, must be entirely repaid within five (5) years from the date of the making of the loan except for a loan for Home Purchase, which may be paid over fifteen (15) years. I agree to repay the loan in equal monthly installments.

I understand and agree to the following.

- Any payment pursuant to my application is a loan which must be repaid and not a distribution of money from my Additional Benefit Accumulation ("Annuity Account") benefit under the Pension Plan.
- My monthly payment is due on the 1st of each month. If my payment is not received by the 15th of each month, a late charge of 3% of the scheduled payment will be applied.
- All amounts due under the loan may be immediately due and payable if I fail to make any payments on time or in the event of my insolvency, bankruptcy, death, or incompetence ("Default"). I will have a one-time opportunity to cure my late payment. A default will occur if a regularly monthly scheduled payment is NOT received by the Pension Plan Office by the end of the calendar quarter following the calendar quarter in which the payment was due.
- If I do not make my loan payments on time, a suit may be filed and I will be held responsible for the outstanding principal balance of the loan, accrued interest and all costs of collection, including attorney and filing fees. I understand that by making this application I am waiving any right to presentment, demand, notice of dishonor and protest before a lawsuit.
- A Default in the repayment of the loan will result in the payment of my "cafeteria plan benefit" under the Carpenters Health & Welfare Fund of Philadelphia & Vicinity ("Cafeteria Plan") to the Pension Plan for application to my loan. Any such payment of the Cafeteria

62286-2



Benefit will be taxable income to me. If I default, I agree to designate all cafeteria plan money thereafter as vacation benefits, assign such benefits to the Pension Plan and irrevocably designate the Pension Plan or its designated agent as my attorney-in-fact to make such designations and benefit elections, receive benefits and endorse any check for such benefits for and on my behalf.

- All Loans are limited to the amount of money actually required for the purpose indicated above or 50% of the amount credited to my Annuity Account, but in no case more than \$50,000 nor less than \$2,000. I will return any money not used for the purpose specified on my application to the Pension Plan.
- Once I receive a loan, I cannot be approved for another loan for five (5) years from the initial loan date or before repayment of the loan. I cannot receive a loan from the Pension Plan at the same time that I receive a hardship distribution from the Carpenters Savings Fund of Philadelphia & Vicinity.
- A partial prepayment may be made at any time during the length of the loan as long as the amount is equal to at least one years worth of payments and no more than two partial prepayments are permitted during the term of any given loan.
- This note will mature and become immediately due and payable upon my retirement or other entitlement to a distribution from my Annuity Account.

EACH BORROWER IS JOINTLY AND SEVERALLY LIABLE FOR THE LOAN. This means that the Pension Plan may collect the entire amount due under the Loan and Promissory Note from any borrower and does not have to divide it among them or pursue other borrowers for any part of the loan debt.

Anyone who signs below for the loan is a Borrower and each borrower, co-borrower and guarantor of this note consents to renewals, replacements and extension of time for payment before, at or after maturity, consents to the acceptance of security for this note and waives demand and protest and the right to assert any statute of limitations.

Participant sign and date. *Derrick Banks* 4-04-01
Signature Date

Spouse or other additional obligor please sign and date *Anna E. Banks* 4 April 01
Signature Date